

SECTION ONE:

Introduction and Background



BENCHMARK INCORPORATED

LOCAL GOVERNMENT SERVICES

Planning, Community Development and Management

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Catawba County is located in an area that has experienced a relatively high rate of growth over the past two decades. During this time, the County has begun a transformation away from a historically furniture and textile-dominated county to a diverse economy widely recognized as a major high-tech communications hub. With this type of growth and change in economic makeup, it is becoming increasingly important that the County keep pace with - or preferably stay ahead of - the inevitable growth-related problems. This includes maintaining its long-established excellent quality of life. This quality of life in Catawba County and the Unifour, long appreciated by its residents, is rapidly becoming well known across the region, the State and the Nation. In June 1998, Money Magazine ranked the Catawba Valley region as the 16th best place to live in the South on its list of medium-sized places. A 1997 Readers Digest article ranked the area as the 10th best place in the nation to raise a family. Keeping these images intact is an underlying theme of this project.

Despite all of Catawba County's positive characteristics, there are specific growth-related concerns to deal with. For example, one-third of all persons employed in Catawba County live elsewhere. The County's in-commuter rate is ranked 3rd in N.C. with more than 36,000 workers coming into the County every day thus placing a strain on some already overburdened roads. Also, Catawba County Schools' enrollment increased by a significant 496 students from 1997 to 1998. The County System's elementary schools are currently 108.6 % of capacity and the middle schools are 104.6% of capacity thus placing school officials under extreme pressure to continually provide new space without allowing current space to deteriorate. Furthermore, there is a burgeoning urban area around Lake Norman with very limited "urban services" such as sewer service. Finding the means to provide such services to this area will have to be a collective county-wide effort.

Solving these problems will take continued pro-active planning efforts by the Board of Commissioners and other County leaders. These are the type of challenges that the Catawba County Board of Commissioners has historically met head-on. There is no indication that this approach has changed.

Purpose of Strategic Growth Plan

The Strategic Growth Plan is intended to be a practical, long term growth strategy for Catawba County's future growth and development. It should be used as a guide for making future growth-related decisions within the County. *The Strategic Growth Plan is not a replacement of VisionQuest 2010: Catawba County's Comprehensive Plan.* Instead it should be viewed as an extension of that document and another of the proactive, continuing planning projects commissioned by the Catawba County Board of Commissioners over the years. The Catawba County Board of Commissioners has long been an advocate of planning and

continually preparing for the future. Several progressive and far reaching projects and programs have been sponsored by the County over the years: the long running FORESIGHT Strategic Planning program (which received national and international recognition); VisionQuest 2010: Catawba County's Comprehensive Plan; the U.S. 321 Corridor District Plan (which won a State planning award for its progressive and cooperative approach); and the facility, water and sewer studies that are currently underway. It is evident this Strategic Growth Plan will not be the last planning initiative to be undertaken.

The objectives of this Plan are very straight forward:

- I. To encourage quality (sustainable) growth.
- II. To accommodate new growth *and* preserve what is special about Catawba County.
- III. To provide alternatives to continue and improve the already fiscally efficient provision of public services.
- IV. To encourage economic viability and economic opportunities while keeping a healthy balance between economic viability and "livability."
- V. To make Catawba County a more livable place for its citizens (examples: being able to safely walk to neighbors homes or to a corner store using sidewalks or trails; the preservation of open spaces and woodlands).
- VI. To 'grow smart' - not just grow for the sake of growing.

The 'Current Conditions Report' is the first part of the Plan and has a number of purposes. In general, it is intended to provide an overview of where Catawba County is currently positioned to address future growth-related issues that will occur. Specifically, the Report explores the current state of the following areas: 1) Population And Demographics; 2) Land Use & Development; 3) Transportation And Traffic Circulation; 4) Schools; 5) General Government Services; 6) Utilities; 7) Environmental Conditions; 8) Parks & Recreation and; 9) Economic Development.

The second part of the Plan is the ‘Growth Strategies Report’ containing an analysis of most of the alternative growth strategies that have been explored over the past six months among the staff at Benchmark, Incorporated, County staff and the County Planning Board. It includes only the strategies that were found to be the most likely to be effective and achievable and those that appear to address the most pressing growth related concerns.

Data Collection and Interviews

A wide range of sources has been used to compile the information contained in this Report (listed at the end of this document). Initial review of minutes and notes from various meetings held among County staff, the Planning Board and Board of Commissioners revealed some common concerns regarding several growth related issues.

It has generally been agreed that this Plan would:

- 1) Address fiscal costs including a discussion of revenue options.
- 2) Address the loss of rural character and open space.
- 3) Address where development should occur due to urban sprawl concerns.
- 4) Include an analysis where growth is occurring and the type of development activity (i.e. manufactured homes, stick-built homes, commercial, industrial and institutional).
- 5) Include an analysis of current policies to determine their impact on growth. For example, what is the growth-related impact of extending waterlines to the schools? What type of development will (or should) occur along the lines?
- 6) Identify reasons it is desirable to control growth. Is it based on fiscal impacts on infrastructure such as schools? Or is there a need for preservation of farmland and forest land? Or both?
- 7) Include an analysis of how the County is planning for growth through the development of policies, good land-use planning techniques and decision-making, etc. Also, what type of planning is occurring with staff of the County School System when new facilities are being constructed?
- 8) Include the development of a series of action strategies to address growth issues in the County. These may include increasing minimum lot sizes, an

open space requirement, an adequate public facilities ordinance or other types of growth management techniques. In evaluating the strategies, both the pros and cons of each should be presented.

Through the data gathering process, a number of County and municipal officials and various community leaders were interviewed to discuss the current conditions in the County and their views of its future. These persons and/or agencies are listed below. Some information was gathered without the necessity of formal interviews.

Catawba County Board of Commissioners

Robert E. Hibbitts

David L. Stewart

(Note: Mr. Stewart no longer serves on the Board, his seat is now filled by Kitty W. Barnes)

Barbara G. Beatty

Marie H. Huffman

W. Steve Ikerd

Planning Board

Ray Von Caldwell

Michael Miller

Sam Wright

Tony Stutts

Paul Allen Beatty, Jr.

Greg C. Wyant

Steve Von Drehle

Gregg Burgess

County Staff

J. Thomas Lundy (County Manager)

Steve Wyatt (Assistant County Manager)

Roy Crawford (Planning)

Mary George (Planning)

Barry Edwards (Utilities and Engineering)

Charles Moody (Emergency Services)

Scott Millar (Economic Development Corporation)

Denise Peterson (County Library System)

John Hardy (Mental Health)

Bobby Boyd (Social Services)

Barry Blick (Public Health)

Russell Williams (Environmental Health)
David Huffman (Sheriff)
Fred Miller (Cooperative Extension)
Bob Miller (Tax Administrator)

Municipal Officials

Gary McGee (Hickory City Manager)
Tom Carr (Hickory Planning Director)
Glenn Pattishall (Newton Planning Director)
Randy Williams (Conover Planning Director)
Doris Bumgarner (Maiden Town Manager)
Russell Cochran (Long View Town Planner)
Dean McGinnis (Claremont City Manager)
Mike Grandstaff (former Catawba Town Administrator)

Business and Development Community

Bryan Derreberry (Chamber of Commerce)
Bruce Bishop (Catawba County Homebuilders Association)
Gerald Kamp (Local Homebuilder)
Fred Craig (Catawba County Homebuilders Association)
Guy Long (Local Land Developer)
Dennis Anthony (Local Land Developer)

Schools

Glen Barger (Superintendent - Catawba County Schools)
Stuart Thompson (Superintendent - Hickory City Schools)
Will Crawford ((Superintendent - Newton-Conover Schools)

Others

H. DeWitt Blackwell (Western Piedmont Council of Governments)
John Tippet (Western Piedmont Council of Governments)
Gene Titus (Chair, Lake Norman Marine Commission)

Physical Description

Catawba County is an average-sized County consisting of 404.4 square miles (258,816 acres). It is located in the physiographic region referred to as the Upper Piedmont Plateau, more commonly known as the Foothills. The elevation of the County ranges from a high of

1,812 feet at Bakers Mountain in the west-central portion of the County to a low of 760 feet where the Catawba River leaves the County. The average elevation is 1,165 feet above sea level. The County's landscape could be described as 'rolling' with fairly broad ridges and some short steep slopes.

Local Governments

Catawba County is home to nine local government organizations: the County and eight municipalities. The total estimated County population in 1997 was 129,540 (128,055 in 1996), almost half of which is located within municipal limits. The largest population centers are in the Hickory urban area, including Hickory proper, the Town of Long View, the Town of Brookford and the adjacent unincorporated areas. Not surprising, the corporate limits of both Long View and Hickory represent the highest population density in the County (both near 1,300 persons per square mile).

Catawba County is fortunate to have two major regional medical facilities, Catawba Memorial Hospital and Frye Regional Medical Center. A very important educational institution - Catawba Valley Community College (CVCC) - is located on Highway 70. CVCC plays a crucial role in providing an educated, well-prepared labor force to support the influx of high-tech industries that demand skilled workers.

Hickory, the County's largest municipality, is a regional employment and entertainment center generally serving the Unifour counties of Alexander, Caldwell, Burke and, of course, Catawba. Hickory is home to a respected liberal arts institution, Lenoir-Rhyne College. The City is also home to a wide range of employment centers (e.g., Siecor, Shuford Mills, Hickory Springs) and entertainment venues (e.g., Valley Hills Mall, the Catawba Valley Arts and Science Center, L.P. Frans Stadium - home to the Hickory Crawdads minor league baseball team).

The Town of Long View has significant employment opportunities but also serves as a bedroom community to Hickory, especially for persons seeking lower cost housing that might not be available elsewhere in the County. Long View, like Hickory, is nearly "built-out," with little vacant land available for new development. However, recent annexation efforts have provided the Town with access to I-40 and future growth opportunities that would have otherwise not been possible. The Town of Brookford, despite being in the heavily developed Hickory area has the lowest population density in the County. Brookford, established as a mill town, has experienced very little changes over the past several decades. However, the new US 321 Freeway will likely have some impact on the Town. Whether the impact will ultimately be negative or positive is not yet clear.

The Newton/Conover area represents the second highest concentration of people and the second (Newton) and third (Conover) highest density in the County. Newton, established in 1855, is the County seat and the second largest City. As with most county seats, Newton is home to a number of public sector employers but also has a significant (and growing) industrial base. Conover is a burgeoning industrial and business center, including within its boundaries the 700-acre Conover West Industrial Park.

Maiden and Claremont/Catawba - in two separate areas - are the County's third and fourth population centers respectively. Within the Maiden town limits, there are four small industrial parks and a number of significant employment centers. Based upon location alone, Maiden is poised to experience perhaps the earliest growth effects of the new US 321 Freeway. How the Town prepares for the inevitable changes will be important to not only the Town but also to the entire County. Claremont, like Conover, is fortunate to have experienced rapid industrial growth in recent years. The City is home to Alcatel and the corporate offices for CommScope, representing two of the three major high tech industries located in the County. A 700-acre International Business Park is also located in Claremont. The Town of Catawba is the second smallest municipality and the second least densely populated place. Due to its relatively good location, the Town has the potential for both residential and non-residential growth over the coming years.

Perhaps the most positive asset that Catawba County has is its eight municipalities and the services that they provide. Each of the cities and towns were incorporated between the mid 1800s and the early 1900s, therefore are all 'veterans' in providing services. Some are very experienced in accommodating new growth. While each municipality in the County provides a different level of public service, there are no disruptive 'paper towns' in Catawba County. 'Paper towns' are municipalities initially created for reasons other than to provide services - typically to avoid annexation from an adjacent city or town.

To varying degrees, each of the eight municipalities provides to its citizens a wide range of municipal services, including water, sewer, police protection, garbage collection, recycling and parks and recreation services. Six of the municipalities provide fire protection through a combination of paid staff and volunteers. Unincorporated areas of Catawba County and the towns of Catawba and Brookford rely entirely on volunteer fire protection. The City of Newton and the Town of Maiden both provide electric distribution services to most of their citizens. Many of these services are described in other parts of this Report.

Catawba County made a strategic decision almost twenty years ago, in cooperation with the municipalities, to not compete in water or wastewater facilities. Instead, the County decided to assist with the extension of utility lines outside of corporate limits. The County also

provides police protection through the Sheriff's Department, operates a County jail, manages a County landfill, offers a new park opportunity, runs a full service library system and franchises garbage disposal and recycling services to citizens in unincorporated areas.

A summary of relevant facts regarding the size and density of each of the cities and towns is shown in Table 1.1 below.

Table 1.1
County and Municipal Data, 1997.

	Date of Incorporation	Est. 1997 Population	Square Miles	Persons per square mile
Catawba County	est. 1842	129,540	404.40	320
Hickory	1870	33,110	26.00	1,300
Newton	1855	12,079	12.00	1,007
Conover	1877	7,007	8.20	854
Long View	1907	4,297	3.25	1,322
Maiden	1883	3,041	3.90	780
Claremont	1893	1,036	2.24	463
Catawba	1893	648	3.50	185
Brookford	1907	451	6.20	73

Source: N.C. State Office of Planning, 1997.

County Government Structure and Organization

Catawba County Government employs more than 1,000 persons (1,035 full-time equivalents approved in the 1998-99 fiscal year). As is typical in most counties in North Carolina, human services employees represent the largest portion of all Catawba County employees (nearly 60%).

To borrow from the private sector, the County Manager is the 'Chief Executive Officer' of the County with the elected Board of Commissioners being the 'Board of Directors.' The citizens of Catawba County can (and should be) considered the 'shareholders.' Similar to a private corporation, the Board of Commissioners strategically plan for what it believes are the wishes of the citizens. The County Manager is then charged with following through and administering the wishes of the citizens as set forth by the Board of Commissioners as policy.

Summary of Departments

The following section gives a brief overview of each major department in the County. Included in each description is the number of employees as of fiscal year 1998 and the approved budget for that year.

County Manager

This department is comprised of six permanent employees, led by the County Manager. One of the primary functions of this department is to direct and supervise all County offices, departments and agencies. This office is directly responsible for the implementation of any policies or orders directed by the Board of Commissioners, including the County's action plan. This office is also responsible for responding to requests from Catawba County citizens for information and assistance related to all functions of County government. This includes keeping the citizenry informed of all local, State and National issues which may affect the health, welfare, and safety of Catawba County residents. The budget for this department is \$460,030.

Budget & Management

This department is responsible for the planning, preparation, and implementation of the County's annual operating and capital budget. The department also conducts special research and management analysis such as a Fund Balance Forecast and examining possible alternatives to service delivery for the County Manager and other County Departments. This department has 2.5 full-time employees and an operating budget of \$150,008.

Legal Services

The Legal Services department offers in-house legal support to all County departments, including the preparation of documents such as contracts, memoranda of understanding, employment contracts, and leases. This department is also responsible for assisting the tax department in the collection of delinquent taxes, providing in-house court presentation training for employees, and assisting and advising appointed citizen boards such as the Board of Adjustment and the Planning Board. This department has four permanent employees and an operating budget of \$236,074.

Personnel

The primary purpose of this department is to assist other departments by providing a qualified workforce in order to meet the needs of the County. The department also reviews and responds to requests such as salary plan changes, classification requests, supervisor training, benefits education, merit requests, etc. Additionally, the department identifies and provides risk reducing activities for preventable health problems through health screenings. This department is made up of 8.5 permanent employees and has an approved 1998-1999

budget of \$544,859.

Tax Department

This department is comprised of two sections, the assessor and the collector. The primary responsibility of the assessor's office is to ensure that all real and personal property is listed annually and is valued appropriately on behalf of Catawba County and its eight municipalities. This department must respond to all taxpayer complaints, concerns, and requests to that regard. The tax collector's office must collect and account for all current and delinquent taxes and privilege licences; issue mobile home moving permits; collect all County street assessments; and collect all fees related to garnishment, attachment, levy, judgement, and returned checks. The overall budget for the tax department is \$1,269,727; \$1,019,714 allocated to the assessor and \$250,013 to the collector's office. The assessor's office has 21 employees while the collector's office has five.

Board of Elections

This department strives to offer fair, honest, and impartial elections in order to encourage voter turnout and to provide easy access for County balloters for all County and municipal elections. The department also makes voter information available to the schools and the public. There are 3.5 employees in this department. The approved 1998-1999 budget is \$222,476.

Register of Deeds

This department has been given the responsibility of serving as the recorder and custodian of the real estate and vital records for all the citizens of the County. This office responds to all inquiries for death, birth, and marriage certificates and provides access to State information concerning these subjects via the Internet. The Register of Deeds office has ten permanent employees and an approved budget of \$536,827.

Finance

This department is divided into the following eight sections: Administration, Accounts Payable/Receivable, Payroll, Billing, Purchasing, Service Center, Vehicle Maintenance, and Buildings & Grounds Maintenance. The various sections of this department are responsible for, among other things, maximizing the County's investment earnings, processing revenues received, wage and tax payments, maintaining the billing system, obtaining merchandise and equipment, and fleet and facility maintenance. There are a total of 32.6 people employed by this department and the approved budget of \$2,540,528 is broken down into the eight aforementioned sections.

Sheriff's Department

This department is broken down into thirteen sections: Law Enforcement & Administration,

Court Security, Resource/CVCC Officers, Newton Jail, Communications Center, Prisoner Food Service, Crime Prevention, Prisoner Food Service, Electronic House Arrest, Narcotics Division, Regional Jail, Detectives Division, and Lake Norman Water Patrol. The primary function of this department is to ensure the overall safety of the residents of the County, while educating the citizens about crime prevention and drug awareness. This department also maintains, protects, and provides assistance to the local jails, the court system and Lake Norman. There are 120.5 employees in this department with an operating budget of \$7,164,612.

Emergency Services

This department is comprised of eight sections: Emergency Services Administration, Fire Marshal, Basic Life Support, Animal Control, Veteran's Services, Emergency Medical Services, Fire Fighting Alarms, and the Animal Shelter. This department offers public health and fire safety, animal control and protection, and other related services. There are 68 employees with an approved budget of \$3,424,432.

Technology

This department is responsible for maintaining a WAN (Wide Area Network) of fiber optic connections between County buildings and municipalities, Catawba Memorial Hospital, the Western Piedmont Council of Governments, CVCC and some schools. It also provides day-to-day computer support for all County departments. The Geographic Information Systems mapping service is maintained by this department. This department is broken down into three categories; Administration, Computerized Mapping, and Information Technology. There are 24.15 employees in this department with an operating budget of \$2,093,756.

Planning & Development

The Planning & Development Department is broken into four sections: Administration, Planning & Zoning, Riverbend Park, and other Economic & Physical Development. This department is responsible for enforcing and recommending changes to the Zoning Ordinance, Subdivision Ordinance, and Junk Car Ordinance. They also provide assistance to local boards, provide reports and special studies to County officials, and offer consultation to the general public concerning planning and development. Technical assistance regarding the development of land is offered to the development community. There are 11.5 employees in this department with an approved budget of \$830,500.

Utilities & Engineering

This department is made up of two sections, Administration and Building Inspections. It is the responsibility of this department to ensure that all construction, renovation, manufactured

home setup, etc. complies with all State and Local Codes (including the North Carolina Building Code). This department is also responsible for the implementation of the County water and sewer service cooperative extension policy with the municipalities as well as the operation of the Blackburn Landfill. There are twenty-one employees in this department with an operating budget of \$1,045,594.

Cooperative Extension

The Cooperative Extension provides a range of educational programs and services as well as scientifically-based information which benefit all residents of the County but particularly the farming community. This department works in conjunction with the United States Department of Agriculture and North Carolina State University. There are thirteen local employees in this department and an operating budget of \$278,550.

Library

The Catawba County Library System is made up of one primary facility located in Newton and four branches in Maiden, Sherrills Ford, Mtn. View/Southwest, and St. Stephens. The Library offers books, magazines, reference materials, periodicals, and other types of media, including access to the Internet, to the citizens of the County. In addition to County operated libraries, the County also contributes financially to Hickory's two library facilities: Patrick Beaver Memorial and Ridgeview. There are thirty-five employees in this department with a budget of \$1,741,367.

Public Health

The Health Department is divided into several areas: Administration, Allied, Environmental, and Preventive Health. General responsibilities include general health care, home health services, preventive medicine, dental services, health education, family planning, restaurant inspections, septic tank and well inspections, etc. The approved budget for this department is \$9,162,422 and is comprised of 155.5 employees.

Social Services

Social Services provides programs to promote self-sufficiency in families, enables the elderly and disabled to remain in their own homes, administers Work First public assistance, day care and child support services, and other programs for abused and neglected children. This department has 265 employees and a \$29,280,044 operating budget.

Mental Health

This department offers mental health services to adults and children, individual evaluations, counseling, medications, group homes, job training, education and methods to improve social skills. The department has 192 employees and an operating budget of \$13,051,426.

Catawba County Board of Commissioners 1999-2000 Goals

Each year the Board of Commissioners adopts a set of working goals for each sector of County Government. These goals sometime remain the same or similar for several years. However, they often change as goals are met or new demands surface. The following is the current set of adopted goals:

Board of Commissioners

- 1) Legislative Issues
 - a. Work with the local delegation to pursue local government tax reform.
 - b. Improve dialog with the local delegation of the General Assembly to ensure that issues concerning or affecting Catawba County are thoroughly and thoughtfully evaluated.
- 2) Maintain an ongoing dialog between the leadership of the Board of Commissioners, Boards of Education, and City Councils in order to increase awareness on issues of common interest and promote cooperation.
- 3) Meet twice annually with school boards to discuss school performance, progress on cooperative programs, and long term capital needs.
- 4) Establish a funding source for the preservation of the quality of life by leveraging grants, seeking private donations, and initiating partnerships to establish, enhance, and expand parks, museums, historical sites, and other County resources.
- 5) Evaluate and determine Baker's Mountain and a southeastern County park potential.
- 6) Evaluate the appointment process for volunteer boards with a goal to increase the availability of volunteers and further involve the public in County government.
- 7) Growth Management Strategy
 - a. Implement the recommendations of the growth management study.
 - b. Manage commercial and residential growth by amending the Zoning Ordinance to modify existing districts and create new ones that more clearly define allowable commercial and residential activity.
 - c. Require all new subdivisions/homes to connect to water and sewer if available. Issue no new permits for new or failed wells or septic tanks if public utilities are available.
 - d. Realizing the benefits of maintaining open space and preserving farming culture, assist citizens with farmland preservation efforts.

- e. Evaluate the County-wide water and sewer studies and begin implementation of recommendations where feasible.

Planning and Community Development

- 8) Determine the feasibility of leasing lake access property from Duke Energy for public use.
- 9) Improve customer service by developing a “one stop” application procedure for obtaining building, zoning, fire, and environmental health permits, and establish a task force to recommend further improvements to the permitting and inspections process.
- 10) Enforce standards for permitting docks on Lake Hickory and Lake Norman.
- 11) Initiate dialog with local financial institutions, the Unifour Consortium, and Chamber of Commerce to discuss improving the home financing process, and establishing public/private partnerships to promote affordable housing. Develop and implement a consumer education program with Cooperative Extension and CVCC focused on buying/building a home.

Board of Elections

- 12) Implement State election software system and evaluate impacts on staffing needs.
- 13) Working in cooperation with the school systems and other community resources, develop and implement a comprehensive voter education effort.

Budget

- 14) Submit an annual report to the Board of Commissioners detailing the amount and source of County grants by department and purpose.

Human Resources

- 15) Continue to meet the demands of an expanding school system by planning for an additional DHR team for Fiscal Year 2000-2001.
- 16) Enroll all eligible children in the NC Health First program, a joint effort involving both Public Health and Social Services designed to insure children that do not qualify for Medicaid and do not have private insurance, without increasing County funding.
- 17) Implement the pilot project for long-term care, a program designed to provide

improved care for the elderly and minimize the need for institutionalization utilizing public/private partnerships.

Economic Development Commission

- 18) Evaluate the feasibility of multi-jurisdictional industrial parks.

Emergency Services

- 19) In cooperation with the Rescue Association and County fire districts, develop a long-range county-wide strategic plan which ensures the best use of taxpayer money for fire, rescue, and EMS.
- 20) Improve customer service for Animal Control.

Finance

- 21) Continue Board of Commissioner policy of supporting services by charging fees where possible and seek to receive authority from the Legislature to charge fees not currently allowed but necessary to recover the full cost to provide services.

Library

- 22) Evaluate the findings of the comprehensive library services study.

Technology

- 23) Ensure year 2000 compliance and continue to evaluate technology as a means of effectively providing services and information to citizens.

Revenues

The County's major revenue sources are the Local Property Tax (28%), Federal and State Revenues (21%) and Local Sales Tax (11%). The 1998-99 County Budget estimates revenues at approximately \$166.8 million, a slight increase from FY 1997-98. The local property tax revenues are derived from the tax rate of \$0.55 per \$100 of assessed value. The assessed value is based on a 1991 property valuation. In 1999 a re-valuation occurred, thus next years budget will more accurately reflect property values in the County. The local sales tax levy is \$0.02, collected by the State and returned to Catawba County. Of the two-cent sales tax revenue, 35% goes directly to education. Many of the State and Federal revenues that are distributed to the County are attached to programs being administered at the local level as mandated by a particular State or Federal agency. Federal and State revenues are predominately distributed to the County to implement human service programs (social services, public health and mental health) such as Smart Start, Work First, WIC and immunizations.

Expenditures

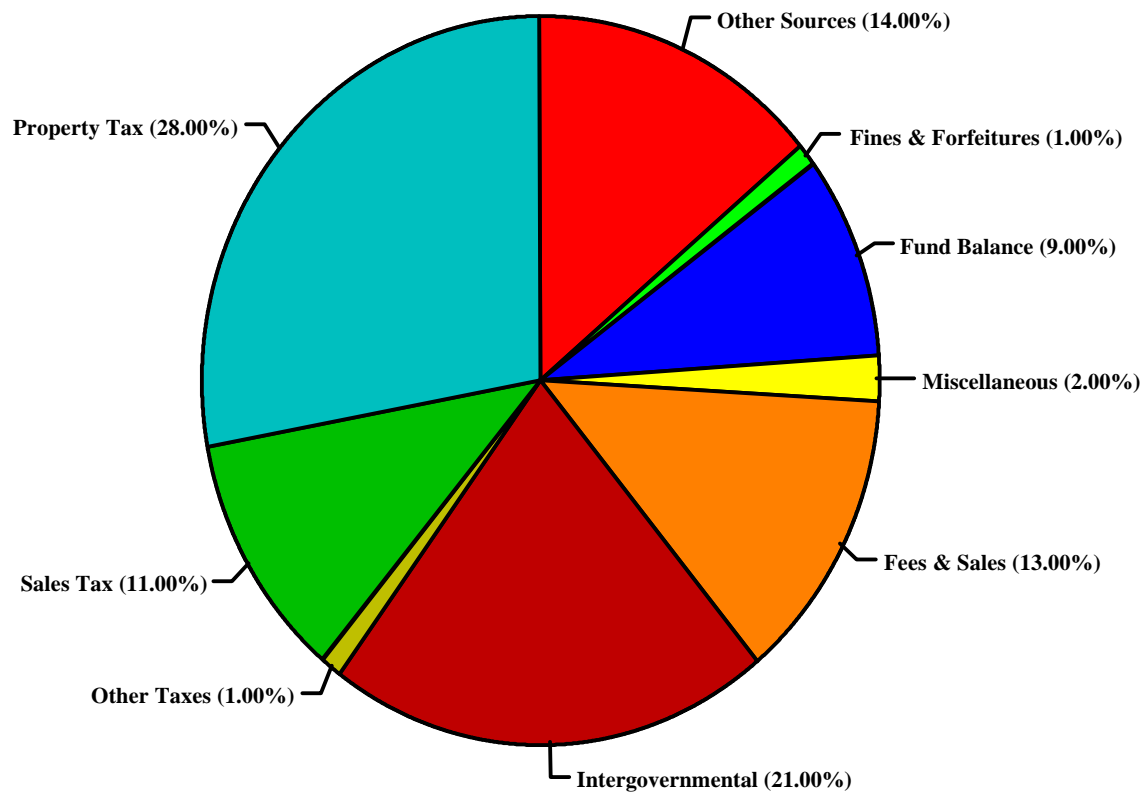
In public accounting, expenditures are accounted for as part of specific categories or ‘funds.’ Catawba County has four fund types: 1) General Fund - the primary fund from which most expenditures occur in the provision of government services; 2) Special Revenue Fund - a fund used to account for certain revenue sources that are legally restricted to certain purposes such as funding for rescue squads and water and sewer revenues; 3) Capital Projects Fund - to be used in the construction of major capital facilities such as schools, water and sewer lines and other government facilities; 4) Enterprise Fund - expenditures that are self-supporting, that is, those programs, which is currently only Solid Waste Management, that are generally recovered entirely by user fees.

Each of the four funds has a Fund Balance which is essentially what is left over after all expenditures have been made. The Fund Balance can be appropriated for other projects, saved for future expenses or used as working capital (cash flow) for the following year before taxes are collected. The FY 1996-1997 budget year ended with a \$27.4 million total General Fund Balance, representing 21% of the General Fund expenditures.

Table 1.2 following shows a comparison of several counties concerning undedicated, unreserved general fund balance (15.7% in Catawba County) at the end of the last two fiscal years. Since this balance does not include dedicated funds, it is less than the total general fund balance described above. The N.C. Local Government Commission has set a minimum standard that local government general fund balances stay at 8% or greater. The table reveals that Catawba County compares favorably with Counties of similar size in regard to the amount of available general fund balance.

Graph 1.1

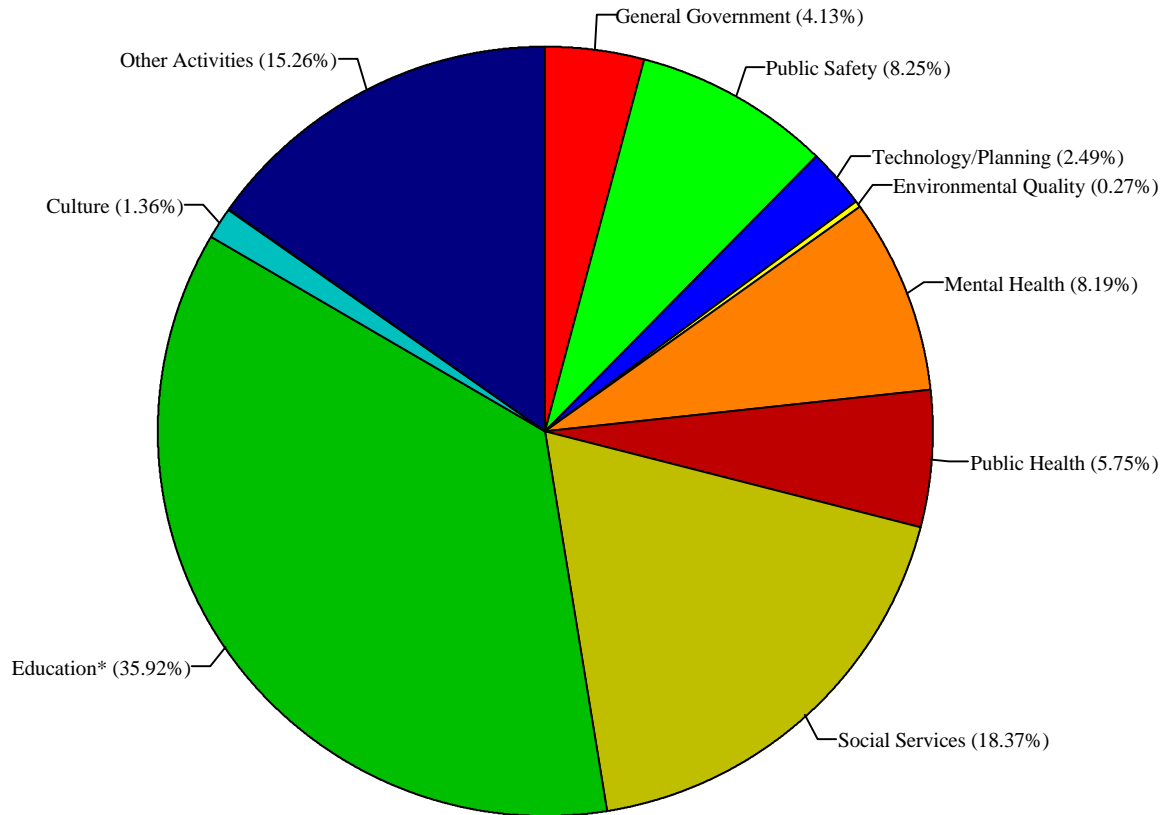
1998-1999 Revenues



Source: Catawba County Budget 1998-1999

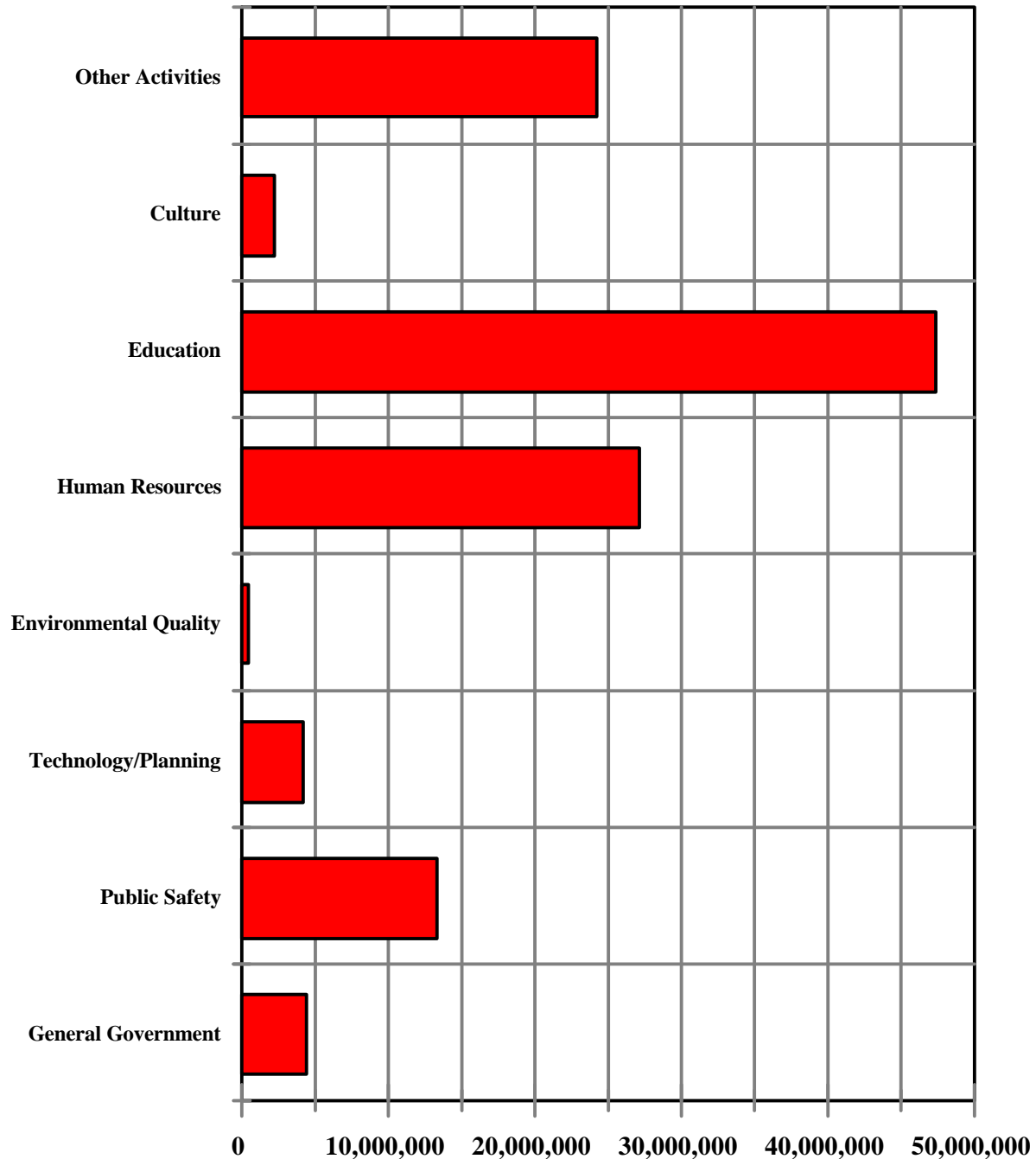
Graph 1.2

County Expenditures by Function



* Includes Current Expenses, Debt Service, and Building Construction

Graph 1.3
Local Fund Expenditures by Dept.



Source: Catawba County Budget 1998-1999

Table 1.2
General Fund Balance and % of Fund Expenditures
(Unrestricted & Undedicated Balance Only)

County	1997 Balance	1998 Balance	1998% of General Fund Expenditures
Catawba	\$19,737,495	\$14,359,947	15.7%
Buncombe	\$24,545,274	\$19,770,536	12.9%
Iredell	\$14,118,274	\$10,712,133	14.82%
Johnston	\$16,989,225	\$6,131,555	9%
Rowan	\$10,230,747	\$11,452,824	16.14%
Pitt	\$9,188,184	\$19,395,401	13.7%

Source: State of North Carolina Department of State Treasurer and County Finance Departments.

To obtain a better understanding of County expenditures than the accounting system provides, one can look at the activities and expenditures of the different “functions” of Catawba County government: 1) General Government; 2) Public Safety; 3) Technology/Planning and Development; 4) Environmental Quality; 5) Human Resources; 6) Education; 7) Culture; 8) Other Funds.

Human Resources (including Social Services and Public Health) and Education represent the two largest expenditures of the County budget (collectively 68% or \$108.8 million). Capital projects and debt service on previous capital projects represent the next highest level of County expenditures (15.3% or \$24.3 million). Table 1.3 details the amount of local funds (supported by the local property tax) expended by each department, and the percentage of the total local expenditures that those funds comprise. It is clear that education is the County’s top local expenditure priority with nearly half of all local expenditures going to this function.

Table 1.3
Local Fund Expenditures by County Function

Function	% of Total Expenditures
General Government	7.0%
Public Safety	12.2%
Technology	2.5%

Planning and Development	1.1%
Utilities and Engineering	0.3%
Capital & Reserves	2.8%
Human Services	19.3%
Education	49.5%
Libraries & Culture	2.9%
Other Activities	2.4%

Source: Catawba County Budget, 1998

Historical Departmental Expenditures

A comparison of County department budgets between fiscal year 1994-1995 and fiscal year 1998-1999 has revealed several substantial departmental budgetary increases (see Table 1.4). Many of the budget changes are based solely on actual and anticipated public demand for new and improved services. The hiring of new employees was often included as an effort to offer a higher level of service to County residents than in previous years. New departmental programs have also been initiated and have required the addition of new employees. However, many of these programs were directly related to improved public service efforts and attempts to streamline certain County procedures. Many new positions have been funded by State and Federal dollars. Some of the new positions have been created in response to State mandated programs or laws. However, this has certainly not been the primary factor for most significant departmental increases over the past five years. As noted in the following section, several positions were created in direct response to growth-related demands.

Aside from the hiring of new employees, there has been a trend of increased computer spending over the last several years. For instance, the Technology Department has had significant increases in its capital budget to cover new equipment costs. In many cases this spending is important and far reaching, for it will long benefit other County departments and ultimately the general public.

Table 1.4
Departmental Budgeted Expenditure Comparison, FY 1994-95 through FY 1998-99
(Percent change from the previous years budget shown in parentheses)

	1994-95	1995-96	1996-97	1997-98	1998-99
County Manager	\$381,185 (0%)	\$400,986 (5.2%)	\$418,204 (4.29%)	\$431,291 (3%)	\$460,030 (7%)
Personnel	423,969 (22%)	440,674 (4%)	504,306 (14.4%)	520,605 (3%)	544,589 (4.6%)
Budget & Mgmt.	123,097 (5%)	137,426 (12%)	141,191 (2.74%)	145,162 (2%)	150,008 (2%)
Legal Services	210,561 (9%)	218,243 (3.6%)	248,493 (12.6%)	253,858 (2%)	236,074 (-7%)
Tax Dept.	913,218 (-2%)	977,552 (7%)	1,169,341 (19.6%)	1,208,237 (2%)	1,269,727 (5%)
Board of Elections	152,892 (-30%)	237,599 (42%)	218,784 (-9.42%)	282,804 (29%)	222,479 (-21%)
Reg. of Deeds	449,089 (5%)	460,961 (2.6%)	511,299 (6.98%)	527,959 (3%)	536,827 (1.7%)
Finance	2,304,689 (-8%)	2,359,630 (2.4%)	2,407,571 (2%)	2,477,824 (2.9%)	2,540,528 (2%)
Sheriff	5,114,690 (-5%)	6,297,790 (23%)	6,805,163 (8%)	6,419,424 (-6%)	7,164,612 (11%)
EMS	3,481,240 (-5%)	3,631,746 (4.3%)	3,407,198 (-8%)	3,483,364 (2%)	3,424,432 (-2%)
Technology Dept.	1,894,358 (-2%)	1,518,562 (-25%)	2,061,608 (28.62%)	2,171,391 (13%)	2,093,756 (3.7%)
Planning	n/a	n/a	n/a	638,536 (n/a)	830,500 (26%)
Utilities & Engineering	n/a	623,986 (n/a)	711,603 (14.06%)	950,512 (32%)	1,045,594 (8%)
Cooperative Extension	172,081 (-18%)	177,676 (0.3%)	263,353 (17.44%)	256,215 (-5%)	278,550 (7%)
Library	1,399,519 (5%)	1,522,867 (7%)	1,665,683 (8.35%)	1,699,317 (2%)	1,741,367 (2%)
Public Health	6,822,616 (21%)	7,611,770 (8%)	8,767,717 (11.8%)	8,654,243 (1.3%)	9,162,422 (4%)
Social Services	18,185,642 (1%)	23,226,003 (19%)	24,683,569 (3.95%)	26,609,026 (7%)	29,228,044 (8%)
Mental Health	7,240,239 (6%)	9,539,743 (22%)	10,211,460 (4.28%)	12,915,880 (8%)	13,051,426 (1%)

Source: Catawba County Budgets FY94-95 through FY 98-99. Shaded cells represent increases over 5%. n/a indicates that the Department did not exist as a separate budget cost center.

To determine specific causes in departmental budget increases beyond typical inflationary changes, budget increases over five (5) percent have been documented below (and are shaded in the previous table). Included is a brief explanation of the primary reasons for the increases. Generally, most of the departmental budgetary increases have been due to *local* changes such as growth in the County, increasing public demands for new services,

technology upgrades and several local initiatives. The causes of each of these budget increases are categorized as follows: Internal Need, Customer Service Related, Growth Related, or State Mandate. Some of the budget growth was due to multiple causes. Twenty-three of the 35 increases described below were at least partly related to local growth and the demand that growth places on public services. Seven of the increases were due, entirely or in-part, to state mandates beyond the control of local officials. Nine of the budget increases were entirely or partly the result of internal needs such as the rise in the costs of salary and benefits. Initiatives to improve customer service were a factor in seven of the increases.

County Manager

- FY 95-96 (5.2% budget increase) - Increase due to personnel cost changes. **(Internal Need)**
- FY 98-99 (7.0% budget increase) - Increase in cost of benefits. **(Internal Need)**

Personnel

- FY 96-97 (14.4% budget increase) - Added Personnel Analyst paid for by indirect revenue created through charges to other County departments for any new positions created. **(Growth Related)**
- FY 94-95 (22% budget increase) - Addition of a County Training Program and a Wellness Program facilitated by Catawba Memorial Hospital. **(Internal Need)**

Budget & Management

- FY 95-96 (12% budget increase) - Added a part-time Accounting Clerk to be shared with Risk Management. **(Growth Related)**

Legal Services

- FY 96-97 (12.6% budget increase) - Increased use of the County Attorney. **(Growth Related)**
- FY 94-95 (9% budget increase) - Addition of benefits for the County Attorney and a more accurate alignment of salaries. **(Internal Need)**

Tax Department

- FY 96-97 (19.6% budget increase) - Four computerized mapping employees were transferred to the Tax Assessor's Office and one new mapper position was created; Purchase of new tax software and hardware; Increase in auditing funds to track delinquent taxes. **(Growth Related; Customer Service Related)**
- FY 95-96 (7% budget increase) - Changes in 1993 to the way property taxes on vehicles are collected necessitated the addition of a temporary position to assist in motor vehicle tax billing; Increased postage rates. **(State Mandate; Federal Postage)**

Increases)

Board of Elections

- FY 97-98 (29% budget increase) - Increase in funds for part-time and overtime expenses; Upgraded computer software. **(Growth Related)**
- FY 95-96 (42% budget increase) - Addition of an Elections Clerk to assist with increased demand for services due to the Voter Registration Act. **(State Mandate)**

Register of Deeds

- FY 96-97 (6.98% budget increase) - Addition of a full time employee (Deputy Register of Deeds) to help with increased workload resulting from a State mandate dealing with birth certificates and a change in the law regarding deeds of trust. **(State Mandate)**

Sheriff

- FY 98-99 (11% budget increase) - Money was placed in reserve for possible future jail projects (due to the status of the State involvement in the Burke-Catawba Jail). **(Growth Related)**
- FY 96-97 (8% budget increase) - Addition of 6.7 FTEs including one new employee to work with the State mandated program requiring all convicted sex offenders be registered with the Sheriff's Department. **(Growth Related; State Mandate)**
- FY 95-96 (23% budget increase) - Addition of the Regional (Burke-Catawba) Jail. **(Growth Related)**

Technology Department

- FY 97-98 (13% budget increase) - Added 4.5 full time employees; Added funds for several projects (GIS and Information Technology) which will benefit other departments through updated computer software, hardware, and networking materials. **(Growth Related; Internal Need; Customer Service Related)**
- FY 96-97 (28.62% budget increase) - Infrastructure projects related to computer network; Computer mapping was appropriated additional funds due to the overall development of the department and its integration into other departments and their daily operating routines; Public access GIS was added in several departments; Two new positions in computerized mapping (GIS Coordinator and Database Analyst). **(Growth Related; Internal Need; Customer Service Related)**

Planning

- FY 98-99 (26% budget increase) - Addition of Riverbend Park budget and new employees (2.5 FTEs). **(Growth Related)**

Utilities and Engineering

- FY 98-99 (8% budget increase) - Two additional Building Inspectors and one Building Inspection Specialist were added to help the inspectors “specialize” in certain disciplines such as plumbing, electrical and mechanical. **(Growth Related; Customer Service Related)**
- FY 97-98 (32% budget increase) - Three new building inspectors added; Global Positioning System was purchased to help supplement the GIS database by recording the coordinates of new construction. **(Growth Related; Customer Service Related)**
- FY 96-97 (14.06% budget increase) - Addition of a Building Code Inspector in correlation to a State mandate that all school buildings be inspected twice a year; Addition of an Engineering Technician paid for from the Solid Waste Program and Water and Sewer Reserves. **(State Mandate)**
- FY 95-96 (48% budget increase) - Added two building code technicians due to increased construction activity in the County. These position have been paid for by increases in building permit fees. **(Growth Related; Customer Service Related)**

Cooperative Extension

- FY 98-99 (7% budget increase) - Increase in dental and health insurance and the salary plan. **(Internal Need)**
- FY 96-97 (17.44% budget increase) - Expansion of Smart Start program by the State (no new employees); Addition of part-time employee (not in relation to the Smart Start program). **(Growth Related; Customer Service Related)**

Library

- FY 96-97 (8.35% budget increase) - Additional Expenditures for the Southwest Branch Library which was in its first full year of operation **(Growth Related)**
- FY 95-96 (7% budget increase) - Directly corresponds with the opening of the Southwest Branch Library. Reductions did occur with other branch budgets to help offset the overall cost of the new branch. **(Growth Related)**

Public Health

- FY 96-97 (11.8% budget increase) - Added eight new Home Health positions and one new Child Health position, all of which are supported by Medicaid and Medicare revenue created by the positions. **(Growth Related)**
- FY 95-96 (8% budget increase) - Transfer in of 8.5 Home Health employees from Social Services and hiring of two Aide positions and three more Home Health employees to meet the growing needs of the County; Increase of the Dental Clinic from three days to four a week. **(Growth Related)**

- FY 94-95 (21% budget increase) - Costs reflect the opening of the new Health Services facility (moving, operating, and capital costs); Two new positions added; Increase of \$350,000 in contract costs with Catawba Memorial Hospital to provide delivery services for indigent mothers. **(Growth Related)**

Social Services

- FY 98-99 (8% budget increase) - One Social Worker position to be added as part of the fifth Human Resource Team for the County schools; Addition of nine new employees in relation to the Work First program; The County was required to spend the same amount this year as it did in 1996-1997 (\$1.9 million), therefore the new staff persons were required. **(State Mandate)**
- FY 97-98 (7% budget increase) - Various Personal Service increases. **(Internal Need)**
- FY 95-96 (19% budget increase) - Addition of Smart Start (State program) funds; Cost of living increases influencing personal services and operations and maintenance expenses to reflect 7% expected increase in Public Assistance Payments. **(State Mandate; Internal Need)**

Mental Health

- FY 97-98 (8% budget increase) - Seven new employees (these new employees are State funded but were not hired in relation to a State mandate); Start up charges for the operation of a ten unit apartment complex funded by HUD. **(Growth Related)**
- FY 95-96 (22% budget increase) - Annualized 24 new employees (these new employees are State funded but were not hired in relation to a State mandate); 5% increase in County share dollars from the General Fund; \$127,000 for computers and software; Merger of Catawba County Council on Alcohol and Drug Abuse Services with Mental Health Department (\$90,000). **(Growth Related)**
- FY 94-95 (6% budget increase) - Addition of seven new employees due to growing County need; Upgrade the current computer system using Mental Health fund balance dollars. **(Growth Related)**

Growth in Budgeted Expenditures - Comparison Counties

It is evident (from the analysis in the previous section) there have been significant budgetary challenges for Catawba County over the past five years. Despite the excellent financial strength of the County, there are continued growing pressures to provide new or expanded services and keep up with growth-related demands. This trend is not uncommon among other North Carolina counties. Counties seeing very rapid growth such as Union, Johnston, Iredell and Cabarrus have experienced double-digit growth in budgeted expenditures per capita over the past three years (see Table 1.5). More specifically, these are all counties that have experienced rapid *residential* growth (which will demand more services resulting in higher public expenditures). At the same time, many of these counties have seen a limited amount of industrial and commercial development (which will demand less services, thus resulting in less expenditures). Catawba County, similarly to Mecklenburg and Wake counties, has experienced more diverse growth, thus helping to keep expenditure increases in-line with new growth and development.

Wake and Mecklenburg have grown as fast or faster than the counties described above, but with a much smaller change in expenditures. These figures suggest that the type of growth plays a much larger role in the rate of change in public expenditures than does growth in general.

Table on Following Page.

Table 1.5
Expenditure Growth; Selected Counties; 1994-95 and 1996-97.

County	FY 1994-95 Budgeted Expenditures per County Resident	FY 1996-97 Budgeted Expenditures per County Resident	Percent Change FY 94-95 through FY 96-97
Union	\$ 735	\$ 1,051	42.99%
Johnston	\$ 812	\$ 1,030	26.85%
Pitt	\$ 683	\$ 817	19.62%
Iredell	\$ 561	\$ 653	16.40%
Cabarrus	\$ 754	\$ 857	13.66%
Cleveland	\$ 671	\$ 740	10.28%
Wake	\$ 907	\$ 965	6.39%
Rowan	\$ 737	\$ 770	4.48%
Mecklenburg	\$ 1,239	\$1,290	4.12%
Alamance	\$ 570	\$ 593	4.04%
Catawba	\$ 835	\$ 861	3.11%
Davidson	\$ 618	\$ 603	-2.43%

Source: NC Association of County Commissioners and the NC Dept. of the State Treasurer, 1996 & 1998.

Capital Improvements Programming

The County Budget includes a three-year Capital Improvement Plan (CIP) designed to identify major capital needs of the County during that period. The first year of the CIP includes projects funded in the current year budget. Years two and three describe future capital projects and expenditures. It is important to note that the CIP does not include capital projects for schools or water and sewer projects for schools. Each of the three public school systems in the County have adopted 10-year facility plans. These facility plans are described in the 'Schools' section of this Report. Table 1.6 outlines the current County CIP and its three year funding schedules. Specifics about these projects are included in the FY 98-99 County Budget which is available for inspection in the County Manager's Office.

Table 1.6
Capital Improvement Plan; Catawba County; Fiscal Years 1998-2001.

Facility/Program/Expenditure	Previous FY	FY 1998-99	FY 1999-00	FY 2000-01
County Facilities Study	\$0	\$30,000	\$0	\$0
Third Floor Addition to Government Center	\$0	\$750,000	\$0	\$0
Geographic Information System Remapping	\$500,000	\$548,130	\$0	\$0
Finance/Budget/Personnel Software System	\$0	\$199,525	\$0	\$0
Library Software System	\$0	\$250,000	\$100,000	\$0
Building Inspections Software System	\$0	\$10,000	\$240,000	\$0
CAD/Records Management Upgrade	\$0	\$508,290	\$0	\$0
General Building Renovations	\$0	\$40,000	\$25,000	\$0
Contingency	\$0	\$50,000	\$50,000	\$50,000
Library Renovations: Genealogy/Law Library	\$0	\$0	\$200,000	\$0
Substance Abuse Treatment Center	\$0	\$0	\$1,465,000	\$0
Government Center Expansion	\$0	\$0	\$0	\$400,000
Reserve - Justice Center Expansion	\$0	\$0	\$400,000	\$400,000
Reserve - Future Building Needs	\$0	\$0	\$0	\$300,000
Totals	\$500,000	\$2,385,945	\$2,480,000	\$1,150,000

Source: Catawba County Budget, 1998.

Tax Statistics

Catawba County's \$0.55 tax rate is currently one of the lowest property tax rates in the State. In 1998-99 this rate ranks 79th of 100 counties. Among the twenty-one counties with over 100,000 population, Catawba has the fifth lowest rate. Table 1.7 shows Catawba County's favorable tax rates in comparison to similar N.C. counties. Catawba County is also fortunate to have a substantial portion (30%) of its tax base comprised of non-residential properties (see Table 1.8). In fact, despite the County's current older valuation, the 1997-98 tax base was the 10th largest in the State. Duke Power is the largest single tax payer with the three major fiber-optics companies paying the 2nd, 3rd and 4th highest tax bills (see Table 1.9).

Table 1.7
Property Tax Rates, Selected N.C. Counties, 1998-99.

County	Property Tax Rate	Overall State Rank	Rank among Counties over 100,000 Population	Tax Rate Per 1,000 Population
Iredell	\$0.4500	95 of 100	21 of 21	\$0.00412
Davidson	\$0.4800	91 of 100	19 of 21	\$0.00342
Alamance	\$0.5300	87 of 100	18 of 21	\$0.00442
Catawba	\$0.5500	79 of 100	17 of 21	\$0.00425
Cleveland	\$0.6270	64 of 100	NA	\$0.00692
Wake	\$0.6300	65 of 100	16 of 21	\$0.00113
Rowan	\$0.6375	59 of 100	NA	\$0.00519
Union	\$0.6600	51 of 100	NA	\$0.00622
Pitt	\$0.6800	68 of 100	9 of 21	\$0.00547
Mecklenburg	\$0.6850	41 of 100	8 of 21	\$0.00113
Cabarrus	\$0.7000	35 of 100	6 of 21	\$0.00601
Johnston	\$0.8500	11 of 100	NA	\$0.00824

Source: NC Association of County Commissioners, 1998. NC State Office of Planning - 7/1/97 population.

Table 1.8
Real Property Tax Base; Distribution by Land Use Category; Catawba County, 1998.

Land Use	Tax Category	% of Total
Residential/Others	\$3,245,602,934	61%
Non-Residential	\$1,622,905,501	30%
Vacant	\$491,519,318	9%
Totals	\$5,360,027,753	100%

Source: Catawba County Tax Department, 1998.

Table 1.9
Principal Taxpayers, Catawba County, 1997.

Company	Assessed Valuation	% of Valuation	Tax Levy
Duke Power	\$267,349,184	3.66%	\$1,390,216
Siecor	\$111,838,530	1.53%	\$581,560
CommScope	\$94,311,257	1.29%	\$490,419
Alcatel	\$72,322,185	0.99%	\$376,075
Shuford Mills	\$43,840,181	0.60%	\$227,969

Source: Catawba County Budget, 1998

Fiscal Strength

County governments in North Carolina are primarily dependent on the property tax to meet their largest expenditure responsibility, public education. Though the property tax generally makes up about one third of county income state-wide, if State and Federal funds earmarked for human services programs and revenues from borrowings are removed, the property tax would be about 70% of revenues. Moreover, this is the only source which can be significantly changed by action of the Board of Commissioners.

By far the greatest demand on the local property tax dollar is public schools. Some counties have estimated that 70% of locally raised revenues are spent on public education. A measure of the ability of a county to meet this challenge is the amount of taxable wealth per school child the county has. This measures the county's chief revenue source, the property tax base, against the basic unit of service, a student, in its major expenditure area. Currently, in Catawba County, 49.5 % of all local fund expenditures go toward education. According to the 1997-98 Tax Survey produced by the N.C. Association of County Commissioners, 74.4% of Catawba County's property tax levy goes to support current, capital and debt expenses for its public schools. This level of reliance on the property tax for school funding is ranked 14th out of the 100 counties in the State.

Table 1.10 reveals some information about the relative wealth of Catawba County compared to several other North Carolina counties of like size and two of the sometimes labeled wealthy 'big' counties. Column D shows what each penny on the tax rate yields per school child. This is the strongest measure of a county's wealth because it simultaneously weighs the primary source of revenue against the primary demand on that revenue. Column E shows the same measure of fiscal strength in terms of what tax rates are required in each county to raise \$1,000 per student.

From Column E one can easily see why Mecklenburg and Wake are considered wealthy. (However, some coastal counties will have even higher numbers.) Catawba, along with Iredell, leads the counties with 100,000 population which suggests that Catawba is among the counties most able to meet its fiscal needs. By contrast a ‘poor’ county such as Hoke would have to levy a property tax of \$0.81 to raise \$1,000 per student.

Table 1.10
Tax and School Expenditures; Selected Counties - 1997-98; Per Capita Debt - 1996.

County	A Effective Property Tax Rate	B 1 Cent Tax Levy Raises	C 1 st Month Student Population	D Dollars Per 1 Cent Tax Available Per Student	E Tax Rate to Raise \$1000 per Student	F School Debt Per Capita
Johnston	\$0.741	\$ 450,544	18,275	\$24.654	\$0.406	\$ 242
Pitt	\$0.680	\$ 511,800	19,608	\$26.102	\$0.383	\$ 275
Cabarrus	\$0.651	\$ 646,000	20,193	\$31.991	\$0.313	\$ 328
Mecklenburg	\$0.630	\$4,580,000	94,759	\$48.333	\$0.207	\$1,557
Rowan	\$0.577	\$ 557,160	20,561	\$27.098	\$0.369	\$ 262
Cleveland	\$0.543	\$ 388,500	16,600	\$23.404	\$0.427	\$ 640
Union	\$0.509	\$ 487,056	19,784	\$24.619	\$0.406	\$ 874
Wake	\$0.485	\$3,551,662	89,443	\$39.709	\$0.252	\$ 692
Davidson	\$0.476	\$ 635,000	23,694	\$26.800	\$0.373	\$ 199
Catawba	\$0.418	\$ 747,120	22,126	\$33.767	\$0.296	\$ 421
Iredell	\$0.414	\$ 656,260	18,932	\$34.664	\$0.288	\$ 0
Alamance	\$0.407	\$ 559,030	19,153	\$29.188	\$0.343	\$ 285

Source: NC Association of County Commissioners. Note: All tax information adjusted to tax base values at 100% of market value.

The County also has the second lowest effective tax rate among those listed above and yet is third in total per student expenditures (not shown above), trailing only the two “big” counties of Mecklenburg and Wake. In addition, Catawba’s per capita debt is in the mid-range of this group of counties and, with its relative low tax rate, it is clear that the County has considerable fiscal strength and options exist in trade-offs between taxing and borrowing that will enable it to meet future needs. (*Note: “Effective Tax Rates” factor in the current ‘accuracy’ of the assessed property valuation in a given County; for instance, the tax rate will appear much lower than it actual is in a county that has not had a revaluation in a*

number of years; in other words, a county with a seven or eight year old property valuation will not be generating as much tax revenue as it could be with a revaluation).

Tax collection rates in Catawba County are among the highest in the State and are about 1% higher than the average of other counties over 100,000. Catawba County's tax collection rates for real estate and personal property are ranked in the top five in the State.

The County's undedicated fund balance has stayed for several years in the 15% range, nearly twice what the Local Government Commission considers the minimum. The size of the fund balance simply measures a county's ability to overcome financial shocks such as loss of revenue due to economic downturns. Catawba is strong in this regard.

Reevaluation of real property for taxation purposes is to occur this year and promises interesting challenges to the County. Property values were about 20% under market values in 1996 and may be as much as 30% under by next year. Though this means a stronger tax base exists than is now recognized in the tax system, such a large increase in property values that face homeowners in 1999 often leads to political unrest and pressures to use unwise measures to offset homeowner tax increases. The fund balance, for instance, is often a target for such tax relief measures.

Levels of Service Indicators - Selected Counties

One good way to determine if public services are being provided at the appropriate level is to compare local government entities with each other. Table 1.11 outlines a level of service for several 'core' services provided by counties similar to Catawba. Cumberland County - while much larger than Catawba - is included as a potential indicator of where Catawba County is headed in terms of providing services for a more urban county. For the most part, Catawba County's level of service is very similar to the comparison counties. The only notable differences are in the area of libraries where circulation and employee indicators are not at the same level of service as several of the comparison counties. Also notable is the number of stick-built single family permits issued in Catawba County is at least half of what all of the other comparison counties reported. Among the comparison counties the average number of stick-built residential permits issued in comparison to the number of inspectors is the lowest in Catawba County. This indicates a high level of service and greater protection for consumer (e.g., the home buyer). This higher level of service and fewer inspection mistakes related to the workload has been well documented in other Charlotte area counties.

Table 1.11
Level of Service Indicators; Selected Counties, 1998.

	Catawba	Iredell	Cabarrus	New Hanover	Alamance	Cumberland
1998 Est. Population	129,540	109,713	118,000	150,000	119,000	295,053
Registered Voters Served per Board of Election Employee	25,142 (88,000 voters/3.5 employees)	23,787 (71,361 voters/3 employees)	19,902 (79,609 voters/4 employees)	27,125 (108,502 voters/ 4 employees)	24,333 (73,000 voters/3 employees)	13,459 (141,319 voters/10.5 employees)
Average Documents Recorded per Register of Deeds Employee	3,842 (38,415 documents/ 10 employees)	3,347 (36,813 documents/ 11 employees)	4,876 (36,573 documents/ 7.5 employees)	3,403 (68,068 documents/ 20 employees)	3,000 (33,000 documents/ 11 employees)	4,553 (104,722 documents/ 23 employees)
Avg. Population served per EMS Base	21,590	27,428	19,667	NR	29,750	24,587
Average EMS Response Time	7.90	NR	4.67	NR	8.00	8.50
Population served per Public Health Employee	836 (155 employees)	1,233 (89 employees)	849 (139 employees)	920 (163 employees)	1,545 (77 employees)	1,054 (280 employees)
Population served per Social Services Employee	489 (265 employees)	665 (165 employees)	287 (410 employees)	612 (245 employees)	804 (148 employees)	477 (618 employees)
Population served per Mental Health Employee	675 (192 employees)	NR	NR	463 (324 employees)	NR	740 (399 employees)
Service Area Population served per Library Employee	2,755 (96,430 pop./35 employees)	3,918 (94,035 pop./24 employees)	3,806 (118,000 pop./31 employees)	1,948 (150,000 pop /77 employees)	1,724 (50,000 pop /29 employees)	1,756 (295,053 pop./168 employees)

Table continued on next page

Table 1.11 Continued
Level of Service Indicators; Selected Counties, 1998.

	Catawba	Iredell	Cabarrus	New Hanover	Alamance	Cumberland
No. Of Items Circulated per Service Area Populations	3.3 (431,060 circulation)	5.3 (500,210 circulation)	4.2 (400,881 circulation)	7.9 (1,152,478 circulation)	13.5 (675,000 circulation)	7.4 (2,183,707 circulation)
No. Of Tax Bills (personal & real property) per Collection Employee	14,333 (86,000 bills/6 employees)	12,095 (77,428 bills/6 employees)	NR	16,348 (228,870 bills/14 employees)	NR	7408 (134,648 bills/18 employees)
No. Of Arrests per Sworn Personnel	46.6 (2985 arrests/64 employees)	83.4 (6675 arrests/80 employees)	22.9 (3067 arrests/134 employees)	37 (6991 arrests/187 employees)	NR	17 (4860 arrests/285 employees)
No. Of Septic Tank Permits per Inspector	226 (1131 permits/5 employees)	256 (1792 permits/7 employees)	93 (279 permits/3 employees)	96 (288 permits/3 employees)	NR	34 (274 permits/8 employees)
Major Subdivision Lots Approved per Planning Dept. Employee	111 (720 lots/6.5 employees)	328 (1,970 lots/6 employees)	NR	147 (1,324 lots/9 employees)	60 (575 lots/9.5 employees)	10 (224 lots/22 employees)
Average Single-Family, Residential Building Permits Issued per Building Inspector	41 (608 permits/15 employees)	120 (1,444 permits/12 employees)	112 (1,801 permits/16 employees)	43 (1,616 permits/38 employees)	62 (373 permits/6 employees)	88 (1,315 permits/15 employees)
Average Mobile Home Permits Issued per Building Inspector	41 (650 permits/15 employees)	67 (802 permits/12 employees)	38 (613 permits/16 employees)	9 (342 permits/38 employees)	105 (630 permits/6 employees)	90 (1,357 permits/15 employees)

Source: Surveys completed by each of the comparison counties. Notes: NR indicates that the data was not available or the surveyed county did not respond. Part-time employees and those that began at or around the middle of a fiscal year are counted as 0.5 employees. All data is from 1998 or 1997. All averages are for one year. All data is simply that which was provided from individual counties, therefore the accuracy is unknown. This table should be used simply to find glaring differences in general terms not by exploring specific numbers.